

AGREEMENT

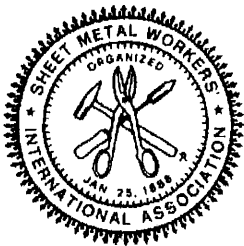
between the

**SHEET METAL AND AIR CONDITIONING
CONTRACTORS NATIONAL ASSOCIATION
OF NORTHERN ILLINOIS, INC.**

and the

**SHEET METAL WORKERS INTERNATIONAL
ASSOCIATION
LOCAL UNION NO. 219**

**JUNE 1, 2003
TO
MAY 31, 2006**





SMACNA, Northern Illinois, Inc.

4010 E. State St., Room 204

Rockford, Illinois 61108

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Sheet Metal Workers Local 219

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Rockford, Illinois 61109

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AGREEMENT

between the

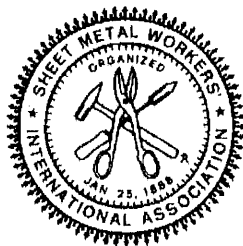
**SHEET METAL AND AIR CONDITIONING
CONTRACTORS NATIONAL ASSOCIATION
OF NORTHERN ILLINOIS, INC.**

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**SHEET METAL WORKERS INTERNATIONAL
ASSOCIATION
LOCAL UNION NO. 219**

**(The Union for Winnebago, Boone, Dekalb, Ogle, Lee, Carroll,
Whiteside, Stephenson & JoDaviess Counties to Highway 78)**

JUNE 1, 2003 TO MAY 31, 2006



STANDARD FORM OF UNION AGREEMENT SHEET METAL, ROOFING, VENTILATING AND AIR CONDITIONING CONTRACTING DIVISIONS OF THE CONSTRUCTION INDUSTRY

Agreement entered into this 1st day of June, 2003 by and between Northern Illinois Chapter of SMACNA, Inc., and each business establishment individually, whether represented by a contractor association or not, hereinafter referred to as the Employer, and Local Union No. 219 of Sheet Metal Workers' International Association, hereinafter referred to as the Union for Winnebago, Boone, Dekalb, Ogle, Lee, Carroll, Whiteside, Stephenson and JoDavieess Counties to Highway 78.

ARTICLE I TYPE OF WORK

Section 1. This Agreement covers the rates of pay and conditions of employment of all employees of the Employer engaged in but not limited to the: (a) manufacture, fabrication, assembling, handling, erection, installation, dismantling, conditioning, adjustment, alteration, repairing and servicing of all ferrous or nonferrous metal work and all other materials used in lieu thereof and of all air-veyor systems and air-handling systems regardless of material used including the settling of all equipment and all reinforcement in connection therewith; (b) all lagging over insulation and all duct lining; (c) testing and balancing of all air-handling equipment and duct work; (d) the preparation of all shop and field sketches whether manually drawn or computer assisted used in fabrication and erection, including those taken from original architectural and engineering drawings or sketches; and (e) all other work included in the jurisdictional claims of Sheet Metal Workers' International Association. (Amended in Addendum XXIX)

ARTICLE II SUBCONTRACTING

Section 1. Conditions of Employment Requirement. No Employer shall subcontract or assign any of the work described herein which is to be performed at a jobsite to any contractor, subcontractor or other person or party who fails to agree in writing to comply with the conditions of employment contained herein including, without limitations, those relating to union security, rate of pay and working conditions, hiring and other matters covered hereby for the duration of the project.

Section 2. Prefabrication. Subject to other applicable provisions of this Agreement, the Employer agrees that when subcontracting for prefabrication of materials covered herein, such prefabrication shall be subcontracted to fabricators who pay their employees engaged in such fabrication not less than the prevailing wage for comparable sheet metal fabrication, as established under provisions of this Agreement. (Amended in Addendum X, Section 2)

ARTICLE III JURISDICTION

Section 1. The Employer agrees that none but journeyman, apprentice, helper and classified sheet metal workers shall be employed on any work described in Article I and further, for the purpose of proving jurisdiction, agrees to provide the Union with written evidence of assignment on the Employer's letterhead for certain specified items of work to be performed at a jobsite prior to commencement of work at the site. List of such specific items, which may be revised from time to time, as agreed to by and between SMACNA and SMWIA shall be provided to the Employer.

ARTICLE IV FURNISHING OF EMPLOYEES

Section 1. The Union agrees to furnish upon request by the Employer duly qualified journeymen, apprentice, helper, and classified sheet metal workers in sufficient numbers as may be necessary to properly execute work contracted for by the Employer in the manner and under the conditions specified in this Agreement.

ARTICLE V UNION SECURITY

Section 1. Union Security. The Employer agrees to require membership in the Union, as a condition of continued employment of all employees performing any of the work specified in Article I of this Agreement, within eight (8) days following the beginning of such employment or the effective date of this Agreement, whichever is later, provided the Employer has reasonable grounds for believing that membership is available to such employees on the same terms and conditions generally applicable to other members and that membership is not denied or terminated for reasons other than the failure of the employee to tender the periodic dues and initiation fees uniformly required as a condition of acquiring or retaining membership.

Section 2. LMRA Amendment. If during the term of this Agreement the

Labor-Management Relations Act of 1947 shall be amended by Congress in such manner as to reduce the time within which an employee may be required to acquire union membership, such reduced time limit shall become immediately effective instead of and without regard to the time limit specified in Section 1 of this Article.

Section 3. Exclusion. The provisions of this Article shall be deemed to be of no force and effect in any state to the extent to which making or enforcement of such provision is contrary to law. In any state where the making and enforcement of such provision is lawful only after compliance with certain conditions precedent, this Article shall be deemed to take effect as to involved employees immediately upon compliance with such conditions.

ARTICLE VI

WORKDAY, WORKWEEK, HOLIDAYS, SHIFT WORK

Section 1. Regular Workday and Workweek. The regular working day shall consist of eight (8) hours labor in the shop or on the job between eight (8) a.m. and five (5) p.m. and the regular working week shall consist of five (5) consecutive eight (8) hour days labor in the shop or on the job, beginning with Monday and ending with Friday of each week. (Amended in Addendum III, Section 1) All full time or part time labor performed during such hours shall be recognized as regular working hours and paid for at the regular hourly rate. Except as otherwise provided pursuant to Section 4 of this Article, all work performed outside the regular working hours and performed during the regular work week shall be at one and one-half (1-1/2) times the regular rate. (Amended in Addendum III, Sections 2-4)

Section 2. Holidays. New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, Christmas Day and the day following Thanksgiving Day or days locally observed as such, and Saturday and Sunday shall be recognized as holidays (See Addendum III, Section 5). All work performed on holidays should be paid at two (2) times the basic rate of pay.

Section 3. Work Performed Outside of Regular Working Hours. It is agreed that all work performed outside of regular working hours during the regular work week and on holidays shall be performed only upon notification by the Employer to the Union in advance of scheduling such work. Preference on overtime and holiday work shall be given to men on the job on a rotation basis so as to equalize such work as nearly as possible.

Section 4. Shift Work. Shift work and the pay and conditions therefore shall

be only as provided in written addenda attached to this Agreement. (See Addendum III, Section 4) Energy conservation-Retrofit work performed outside the regular work day in occupied buildings shall be performed under shift work conditions to be established by the local parties or by the National Joint Adjustment Board on the request of either party, if not locally provided.

ARTICLE VII TRAVEL (Amended in Addendum II)

Section 1. Travel Within Limits of This Agreement. When employed in a shop or on a job within the limits of this Agreement employees shall be governed by the regular working hours specified herein and shall provide for themselves necessary transportation within the said limits from home to shop or job at starting time and from shop or job to home at quitting time, and the Employer shall provide, or pay, for all necessary additional transportation during working hours.

Section 2. Travel Outside Limits of This Agreement. When employed outside of the limits specified in Section 1 of this Article, and within the jurisdiction of the Union, employees shall provide transportation for themselves which will assure their arrival at the limits specified in Section 1 of this Article which will assure arrival at such limits at quitting time. As an alternative to the foregoing method, travel expense may be paid by a zone or other method of payment. If this alternative method is used, it will be provided for in a written addendum attached hereto.

ARTICLE VIII WAGES AND FRINGE BENEFITS

~~**Section 1. Journeyman Wage.** The minimum rate of wages for journeyman sheet metal workers covered by this Agreement when employed in a shop or on a job within the jurisdiction of the Union to perform any work specified in Article 1 of this Agreement shall be in accordance with Addendum I, except hereinafter specified in Section 2 of this Article.~~

Section 2. Work in Other Local SMWIA Unions. On all work specified in Article 1 of this Agreement, fabricated and/or assembled by journeymen, apprentices, helpers and/or classified sheet metal workers within the jurisdiction of this Union, or elsewhere, for erection and/or installation within the jurisdiction of any other local union affiliated with Sheet Metal Workers' International Association, whose established wage scale is higher than the wage scale specified in this Agreement, the higher wage scale of the jobsite

Union shall be paid to the employees employed on such work in the home shop or sent to the jobsite.

Section 3. Exclusions. The provisions of Section 2 of this Article, Section 2 of Article II and Section 1 of Article III shall not be applicable to the manufacture for sale to the trade or purchase of the following items:

1. Ventilators
2. Louvers
3. Automatic & fire dampers
4. Radiator & air conditioning unit enclosures
5. Fabricated pipe and fittings for residential installations and light commercial work as defined in the locality
6. Mixing (attenuation) boxes
7. Plastic skylights
8. Air diffusers, grilles, registers
9. Sound attenuators
10. Chutes
11. Double-wall panel plenums
12. Angle rings

Section 4. Air Pollution Control Systems. The provisions of Section 2 of this Article shall not be applicable to AIR POLLUTION CONTROL SYSTEMS fabricated for the purpose of removing air pollutants, excluding air conditioning, heating and ventilating systems. In addition, the provisions of Section 2 of this Article will not be applicable to the manufacture of spiral pipe and fittings for high pressure systems.

Section 5. Workers Hired Outside Jurisdiction of This Agreement. Except as provided in Sections 2 and 6 of this Article, the Employer agrees that journeymen, helper and classified sheet metal workers hired outside the territorial jurisdiction of this Agreement shall receive the wage scale and working conditions of the local Agreement covering the territory in which such work is performed or supervised.

Section 6. Two Man Rule. When the Employer has any work specified in Article I of this Agreement to be performed outside of the area covered by this Agreement and within the area covered by another Agreement with another local union affiliated with the Sheet Metal Workers' International Association, and qualified sheet metal workers are available in such area, he may send no more than two (2) sheet metal workers per job into such area to perform any work which the Employer deems necessary, both of whom shall be from the Employer's home jurisdiction. All additional sheet metal workers shall come from the area in which the work is to be performed. Journeymen sheet metal workers covered by this Agreement who are sent outside of the area covered by this Agreement shall be paid at least the established minimum wage scale specified in Section 1 of this Article but in no case less than the established wage scale of the local Agreement covering the territory in which such work is

performed or supervised, plus all necessary transportation, travel time, board and expenses while employed in that area, and the Employer shall be otherwise governed by the established working conditions of the local Agreement. If employees are sent into an area where there is no local Agreement of the Sheet Metal Workers' International Association covering the area then the minimum conditions of the home local union shall apply.

Section 7. Definition of "Wage Scale." In applying the provisions of Sections 2, 5, and 6 of this Article VIII, the term "wage scale" shall include the value of all applicable hourly contractual benefits in addition to the hourly wage rate provided in said Sections.

Section 8. Welfare Benefit Contributions. Welfare benefit contributions shall not be duplicated.

a. When sheet metal workers are employed temporarily outside the jurisdiction of their home local union, the parties signatory to this Agreement agree to arrange through the Health and Welfare Trust Fund to transmit health and welfare contributions made on behalf of the employee to the Health and Welfare Trust Fund in the employee's home local union.

b. The parties to this Agreement agree to establish a system for continuing health and welfare coverage for employees working temporarily outside the jurisdiction of the local collective bargaining agreement when health and welfare contributions are transmitted on their behalf by trust funds from other areas.

Section 9. Payday. Wages at the established rates specified herein shall be paid in cash or other legal tender in the shop or on the job at or before quitting time on the same day of each week, to be designated by the Employer, ~~and no more than (2) days' pay will be withheld. (Amended in Addendum I,~~ Section 9) However, employees when discharged shall be paid in full.

Section 10. Minimum Pay. Journeymen, apprentice, helper and classified sheet metal workers who report for work by direction of the Employer, and are not placed to work, shall be entitled to two (2) hours' pay at the established rate. This provision, however, shall not apply under conditions over which the Employer has not control. (See Addendum I, Section 6)

Section 11. One Journeyman Per Shop Requirement. Each Employer covered by this Agreement shall employ at least one (1) journeyman sheet metal worker who is not a member of the firm on all work specified in Article 1 of this Agreement.

Section 12. Industry Fund of the United States Contribution. a.

Contributions provided for in Section 12(b) of this Article will be used to promote programs of industry education, training, negotiation and administration of collective bargaining agreements, research and promotion, such programs serving to expand the market for the services of the Sheet Metal Industry, improve the technical and business skills of the Employers, stabilize and improve Employer-Union relations, and promote, support and improve the employment opportunities for employees. No part of any such payments, however, shall be used for any other purpose except as expressly specified above.

b. The Employer shall pay the Sheet Metal and Air Conditioning Contractors' National Industry Fund of the United States (IFUS) seven cents (\$0.07) per hour for each hour worked on and after the effective date of this Agreement by each employee of the Employer covered by this Agreement. Payment shall be made on or before the 15th day of the succeeding month and shall be remitted to IFUS, 4201 Lafayette Center Drive, Chantilly, Virginia, 22021-1209, or for the purpose of transmittal, through SMACNA, Northern Illinois Industry Fund. (Amended in Addendum XIX)

c. The IFUS shall submit to the Sheet Metal Workers' International Association no less often than semi-annually written reports describing accurately and in reasonable detail the nature of activities in which it is engaged or which it supports directly or indirectly with any of its funds. One time per year, the IFUS shall include in such written report a financial statement attested to by a certified public accountant containing its balance sheet and detailed statement of annual receipts and disbursements. Further specified detailed information in regard to IFUS activities or its receipts and/or expenditures shall be furnished to the Sheet Metal Workers' International Association upon written request.

d. Grievances concerning use of IFUS funds for purposes prohibited under Section 12(a) or for violations of other subsections of this Section may be processed by the Sheet Metal Workers' International Association directly to the National Joint Adjustment Board under the provisions of Article X of this Agreement. In the event such proceeding results in deadlock, either party may, upon ten (10) days notice to the other party, submit the issue to final and binding arbitration. The Arbitrator shall be selected by the Co-Chairmen of the National Joint Adjustment Board. The Arbitrator shall be authorized to impose any remedial order he deems appropriate for violation of this Section, including termination of the Employer's obligation to contribute to the IFUS. The authority of the Arbitrator is expressly limited to a determination of a deadlocked issue under this Section, (Section 12, Article VIII), and no other.

Section 13. Local Industry Fund Contribution. a. Contributions provided for in Section 13(b) of this Article will be used to promote programs of industry education, training, negotiation, administration of collective bargaining agreements, research and promotion, such programs serving to expand the market for the services of the Sheet Metal Industry, improve the technical and business skills of Employers, stabilize and improve Employer-Union relations, and promote, support and improve the employment opportunities for employees. No part of any such payments, however, shall be used for any other purpose except as expressly specified above.

b. The Employer shall pay to the SMACNA, Northern Illinois Industry Fund, (the local industry fund), (see Addendum I) per hour for each hour worked on or after the effective date of this Agreement by each employee of the Employer covered by this Agreement. Payment shall be made monthly on or before the 15th day of the succeeding month. (Amended in Addendum XIX)

c. The local industry fund shall furnish to the Business Manager of the Union, not less often than semi-annually, written reports describing in reasonable detail the nature of activities in which it is engaged or which it supports directly or indirectly with any of its funds. One time per year, the local industry fund shall include in such written report, a statement attested to by a certified public accountant and containing its balance sheet and detailed statement of receipts and disbursements. Further specified detailed information in regard to local industry fund activities or its receipts and/or disbursements shall be furnished to the Business Manager of the Union upon its written request.

d. Grievances concerning use of local industry fund monies to which an Employer shall contribute for purposes provided under Section 13(a) or for violations of other subsections of this Section shall be handled under the provisions of Article X of this Agreement. ~~The National Joint Adjustment Board shall be authorized to impose any remedial order for violation of this Section, including termination of the Employer's obligation to contribute to the local industry fund.~~

Section 14. a. International Training Institute (formerly known as National Training Fund) Contribution. Effective as of the date of this Agreement the Employers will contribute to the International Training Institute for the Sheet Metal and Air Conditioning Industry (ITI) twelve cents (\$0.12) per hour for each hour worked by each employee of the Employer covered by this Agreement. Payment shall be made on or before the 15th day of the succeeding month and shall be remitted as designated by the Trustees of the ITI, or for purposes of collection and transmittal through the Sheet Metal Workers

National Benefit Fund. (See Addendum XII)

b. National Energy Management Institute Committee Contribution.

Effective as of the date of this Agreement, the Employers will contribute to the National Energy Management Institute Committee (NEMIC), a jointly administered trust fund, three cents (\$0.03) per hour for each hour worked by each employee of the Employer covered by this Agreement. Payment shall be made on or before the 15th day of the succeeding month and shall be remitted as designated by the Trustees of the NEMIC, or for the purposes of collection and transmittal through the Sheet Metal Workers National Benefit Fund. (See Addendum XII)

c. Sheet Metal Workers Occupational Health Institute Trust Contribution. Effective as of the date of this Agreement, the Employers will contribute to the Sheet Metal Workers Occupational Health Institute Trust (Institute) two cents (\$0.02) per hour for each hour worked by each employee of the Employer covered by this Agreement until the Institute Trustees determine that the Trust is financially self-sufficient. Payment shall be made on or before the 15th day of the succeeding month and shall be remitted as designated by the Trustees of the Institute, or for purposes of collection and transmittal through the Sheet Metal Workers National Benefit Fund. (See Addendum XII)

d. Agreement to be Bound by Separate Agreements and Declarations of Trust. The parties agree to be bound by the separate Agreements and Declarations of Trusts establishing the International Training Institute for the Sheet Metal and Air Conditioning Industry, the National Energy Management Institute Committee, the Sheet Metal Occupational Health Institute Trust, and the Industry Fund of the United States and the separate agreements and declarations of trusts of all other local or national programs to which it has been agreed that contributions will be made. In addition, the parties agree to be bound by any amendments to said trust agreements as may be made from time to time and hereby designate as their representatives on the Board of Trustees such trustees as are named together with any successors who may be appointed pursuant to said agreements.

e. Uniform Collection Procedures. The parties authorize the trustees of all national funds to cooperatively establish uniform collection procedures to provide for efficient and effective operation of the various national trusts.

ARTICLE IX TOOLS AND TRANSPORTATION

Section 1. Providing of Tools. Journeymen, apprentice, helper and classified sheet metal workers covered by this Agreement shall provide for themselves all necessary hand tools. (See Addendum VIII)

Section 2. Transporting. Journeymen, apprentice, helper and classified sheet metal workers covered by this Agreement shall not be permitted or required as a condition of employment to furnish the use of automobile or other conveyance to transport men, tools, equipment or materials from shop to job, from job to job, or from job to shop; facilities for such transportation to be provided by the Employer. This provision shall not restrict the use of an automobile or other conveyance to transport its owner and personal tools from home to shop or job at starting time or from shop or job to home at quitting time.

ARTICLE X GRIEVANCE PROCEDURES

The Union and the Employer, whether party to this Agreement independently or as a member of a multi-employer bargaining unit, agree to utilize and be bound by this Article.

Section 1. Grievance - Step 1. Grievances of the Employer or the Union, arising out of interpretation or enforcement of this Agreement, shall be settled between the Employer directly involved and the duly authorized representative of the Union, if possible. Both parties may participate in conferences through representatives of their choice.

To be valid, grievances must be raised within thirty (30) calendar days following the occurrence giving rise to the grievance, or, if the occurrence was not ascertainable, within thirty (30) calendar days of the first knowledge of the facts giving rise to the grievance.

Section 2. Grievance - Step 2 - Local Joint Adjustment Board. Grievances not settled as provided in Section 1 of this Article may be appealed by either party to the Local Joint Adjustment Board where the work was performed or in the jurisdiction of the Employer's home local and such Board shall meet promptly on a date mutually agreeable to the members of the Board, but in no case more than fourteen (14) calendar days following the request for its services, unless the time is extended by mutual agreement of the parties or the Local Joint Adjustment Board. The Board shall consist of representatives of the Union and of the local Employers' Association and both

sides shall cast an equal number of votes at each meeting. The local Employers' Association, on its own initiative, may submit grievances for determination by the Board as provided in this Section. Except in the case of a deadlock, a decision of the Local Joint Adjustment Board shall be final and binding.

Notice of appeal to the Local Joint Adjustment Board shall be given within thirty (30) days after termination of the procedures prescribed in Section 1 of this Article, unless the time is extended by a mutual agreement of the parties.

Section 3. Grievance - Step 3 - Panel. Grievances not disposed of under the procedure prescribed in Section 2 of this Article, because of a deadlock or failure of such Board to act, may be appealed jointly or by either party to a Panel, consisting of one (1) representative appointed by the Labor Co-Chairman of the National Joint Adjustment Board and one (1) representative appointed by the Management Co-Chairman of the National Joint Adjustment Board. Appeals shall be mailed to the National Joint Adjustment Board.* Notice of appeal to the Panel shall be given within thirty (30) days after termination of the procedures prescribed in Section 2 of this Article. Such Panel shall meet promptly but in no event more than fourteen (14) calendar days following receipt of such appeal, unless such time is extended by mutual agreement of the Panel members. Except in case of deadlock, the decision of the Panel shall be final and binding.

Notwithstanding the provisions of Paragraph 1 of this Section, an Employer who was not a party to the Labor Agreement of the area in which the work in dispute is performed may appeal the decision of the Local Joint Adjustment Board from that area, including a unanimous decision, and request a Panel hearing as set forth in Section 3 of this Article, providing such appeal is approved by the Co-Chairmen of the National Joint Adjustment Board.

Section 4. Grievance - Step 4 - National Joint Adjustment Board. Grievances not settled as provided in Section 3 of this Article may be appealed jointly or by either party to the National Joint Adjustment Board. Submissions shall be made and decisions rendered under such procedures as may be prescribed by such Board. Appeals to the National Joint Adjustment Board shall be submitted within thirty (30) days after termination of the procedures described in Section 3 of this Article. The Procedural Rules of the National Joint Adjustment Board are incorporated in this Agreement as though set out in their entirety. (Copies of the procedures may be obtained from the National Joint Adjustment Board.*)

Section 5. Remedies. A Local Joint Adjustment Board, Panel and the National Joint Adjustment Board are empowered to render such decisions and grant such relief to either party as they deem necessary and proper, including awards of damages or other compensation.

Section 6. Enforcement. In the event of non-compliance within thirty (30) calendar days following the mailing of a decision of a Local Joint Adjustment Board, Panel or the National Joint Adjustment Board, a local party may enforce the award by any means including proceedings in a court of competent jurisdiction in accord with applicable state and federal law. If the party seeking to enforce the award prevails in litigation, such party shall be entitled to its costs and attorney's fees in addition to such other relief as is directed by the courts.

Section 7. Pending Procedures. Failure to exercise the right of appeal at any step thereof within the time limit provided therefor shall void any right of appeal applicable to the facts and remedies of the grievances involved. There shall be no cessation of work by strike or lockout during the pendency of the procedures provided for in this Article. Except in case of deadlock, the decision of the National Joint Adjustment Board shall be final and binding.

Section 8. Contract Negotiation Arbitration. In addition to the settlement of grievances arising out of interpretation or enforcement of this Agreement as set forth in the preceding sections of this Article, any controversy or dispute arising out of failure of the parties to negotiate a renewal of this Agreement shall be settled as hereinafter provided (Voided in Addendum XXV):

a. Deadlocked Negotiations. Should the negotiations for a renewal of this Agreement or negotiations regarding a wage/fringe reopener become ~~deadlocked in the opinion of the Union representative(s) or of the Employer(s) representative(s), or both, notice to that effect shall be given to the National Joint Adjustment Board.~~

If the Co-Chairmen of the National Joint Adjustment Board believe the dispute might be adjusted without going to final hearing before the National Joint Adjustment Board, each will then designate a Panel representative who shall proceed to the locale where the dispute exists as soon as convenient, attempt to conciliate the differences between the parties and bring about a mutually acceptable agreement. If such Panel representatives or either of them conclude that they cannot resolve the dispute, the parties thereto and the Co-Chairmen of the National Joint Adjustment Board shall be promptly so notified without recommendation from the Panel representatives. Should the Co-

Chairmen of the National Joint Adjustment Board fail or decline to appoint a Panel member or should notice of failure of the Panel representatives to resolve the dispute be given, the parties shall promptly be notified so that either party may submit the dispute to the National Joint Adjustment Board.

In addition to the mediation procedure set forth above or as an alternate thereto, the Co-Chairmen of the National Joint Adjustment Board may each designate a member to serve as a Subcommittee and hear the dispute in the local area. Such Subcommittees shall function as arbitrators and are authorized to resolve all or part of the issues. They are not, however, authorized to deadlock and the matter shall be heard by the National Joint Adjustment Board in the event a Subcommittee is unable to direct an entire resolution of the dispute.

The dispute shall be submitted to the National Joint Adjustment Board pursuant to the rules as established and modified from time to time by the National Joint Adjustment Board. The unanimous decision of said Board shall be final and binding upon the parties, reduced to writing, signed and mailed to the parties as soon as possible after the decision has been reached. There shall be no cessation of work by strike or lockout unless said Board fails to reach a unanimous decision and the parties have received written notification of its failure.

b. NJAB Procedures. Any application to the National Joint Adjustment Board shall be upon forms prepared for that purpose subject to any changes which may be decided by the Board from time to time. The representatives of the parties who appear at the hearing will be given the opportunity to present oral argument and to answer any questions raised by members of the Board. Any briefs filed by either party including copies of pertinent exhibits shall also be exchanged between the parties and filed with the National Joint Adjustment Board at least twenty-four (24) hours in advance of the hearing.

c. NJAB Time Limits. The National Joint Adjustment Board shall have the right to establish time limits which must be met with respect to each and every step or procedure contained in this Section. In addition, the Co-Chairmen of the National Joint Adjustment Board shall have the right to designate time limits which will be applicable to any particular case and any step therein which may be communicated to the parties by mail, telegram or telephone notification.

d. Retroactive Dates. Unless a different date is agreed upon mutually between the parties or is directed by unanimous decision of the National Joint Adjustment Board, all effective dates in the new agreement shall be retroac-

tive to the date immediately following the expiration date of the expiring agreement.

*All correspondence to the National Joint Adjustment Board shall be sent to the following address: National Joint Adjustment Board, P.O. Box 220956, Chantilly, VA 22022-0956, or 4201 Lafayette Center Drive, Chantilly, VA 22021-1209.

ARTICLE XI APPRENTICE TRAINING PROGRAM

Section 1. Joint Apprenticeship and Training Committee (JATC). All duly qualified apprentices shall be under the supervision and control of a Joint Apprenticeship and Training Committee composed of six (6) members, three (3) of whom shall be selected by the Employer, and three (3) by the Union. Said Joint Apprenticeship and Training Committee shall formulate and make operative such rules and regulations as they may deem necessary and which do not conflict with the specific terms of this Agreement, to govern eligibility, registration, education, transfer, wages, hours, working conditions of duly qualified apprentices and the operation of an adequate apprentice system to meet the needs and requirements of the trade. Said rules and regulations when formulated and adopted by the parties hereto shall be recognized as part of this Agreement.

Section 2. JATC Term of Service. The Joint Apprenticeship and Training Committee designated herein shall serve for the life of this Agreement, except that vacancies in said Joint Apprenticeship and Training Committee caused by resignation or otherwise, may be filled by either party hereto, and it is hereby mutually agreed by both parties hereto, that they will individually and collectively cooperate to the extent that duly qualified apprentices be given every opportunity to secure proper technical and practical education experience in the trade, under the supervision of the Joint Apprenticeship and Training Committee.

Section 3. Scholarship Loan Agreement. It is the understanding of the parties to this Agreement that the funds contributed by signatory Employers to the Training Fund (Local JATC) will not be used to train apprentices or journeymen who will be employed by employers in the Sheet Metal Industry not signatory to a collective bargaining agreement providing for contributions to the International Training Institute and a Local JATC. Therefore, the trustees of the International Training Institute and Local JATC shall adopt and implement a Scholarship Loan Agreement Program which will require apprentices and journeymen employed by signatory Employers to repay the cost of training either

by service following training within the union sector of the industry or by actual repayment of the cost of training if the individual goes to work for a non-signatory Employer in the Sheet Metal Industry. The cost of training shall include the reasonable value of all International Training Institute and Local JATC materials, facilities and personnel utilized in training. If a Local JATC does not implement the Scholarship Loan Agreement, the Local JATC shall be prohibited from utilizing International Training Institute materials and programs.

Section 4. Furnishing of Apprentices. It is hereby agreed that the Employer shall apply to the Joint Adjustment and Training Committee and the Joint Apprenticeship and Training Committee shall grant apprentices on the basis of one (1) apprentice for each three (3) journeymen regularly employed throughout the year. (Amended in Addendum IV, Section 1) Provided, however, an Employer will not be entitled to a new apprentice if the Employer has an apprentice on layoff for lack of work.

Section 5. Apprenticeship Application and Terms. All applicants for apprenticeship shall be between the ages of seventeen (17) and twenty-three (23) years of age (Amended in Addendum IV, Section 2d) and each apprentice shall serve an apprenticeship of up to five (5) years and such apprentices shall not be in charge of work on any job and shall work under the supervision of a journeyman until apprenticeship terms have been completed and they have qualified as a journeyman. (Amended in Addendum IV, Section 2b)

Section 6. Graduated Wage Scale. A graduated wage scale for apprentices shall be established and maintained on the following percentage basis of the established wage rate of journeymen sheet metal workers (Amended in Addendum I, Section 2):

First year:	First half 40% - Second half 45%
Second year:	First half 50% - Second half 55%
Third year:	First half 60% - Second half 65%
Fourth year:	First half 70% - Second half 75%

This Section shall not have the effect of reducing the wage progression schedule of any apprentice who was indentured prior to the effective date of this Agreement.

Section 7. Youth-to-Youth Program. The parties will establish on a local basis the SMWIA Youth-to-Youth program (the program) and the procedures to enable all apprentices to participate in the program. The activities of the program that deal with organizing and other traditional union activities shall be funded by the Local Union through a checkoff in compliance with the provisions of Section 302(c) of the Labor-Management Relations Act of 1947.

Activities that may be funded by Employer contributions shall be so funded if, and to the extent, the parties shall agree locally to sponsor and implement the same.

Section 8. Type of Schooling. The parties agree that concentrated apprenticeship training is preferable to night-schooling and urge the Joint Apprenticeship and Training Committee to implement concentrated training during the term of this Agreement.

ARTICLE XII HELPERS

Section 1. Furnishing and Ratio of Helpers. It is hereby agreed that the Employer may apply to the Joint Apprenticeship and Training Committee and the Joint Apprenticeship and Training Committee shall grant helpers on the basis of one (1) helper for each three (3) apprentices employed by the Employer. (Amended in Addendum IV, Section 1) Provided, however, that an Employer who employs one (1) or more apprentices and at least three (3) sheet metal journeymen shall be entitled to at least one (1) helper. Any apprentice of the Employer on layoff at the effective date of this Agreement must be rehired before said Employer is entitled to any helper. Thereafter, the same conditions and ratios shall apply. (Amended in Addendum IV, Section 3e)

Section 2. Right to Independently Hire. In the event the Employer is entitled to employ a helper and the Union fails to comply with the Employer's written request to furnish a helper within forty-eight (48) hours, the Employer may hire such employees and refer them to the Joint Apprenticeship and Training Committee for enrollment.

Section 3. Term of Helper. Helpers shall be enrolled as applicants for future openings in the apprenticeship program. The Joint Apprenticeship and Training Committee shall evaluate the qualifications of helpers for such openings during the first year of employment. No helper shall be retained beyond one (1) year unless he has been found to be qualified as an applicant. (Amended in Addendum IV, Section 3f)

Section 4. Wage Scale. The wage scale for helpers shall be thirty percent (30%) of the wage rate of journeymen sheet metal workers (Amended in Addendum I, Section 3). Health and welfare coverage shall be arranged on behalf of the helpers by the parties.

ARTICLE XIII CLASSIFIED WORKERS

Section 1. Ratio. Classified workers may be employed in the following ratio: (a) one (1) classified worker for any Employer who employs an apprentice; (b) two (2) classified workers for any Employer who employs at least three (3) apprentices; (c) thereafter, the ratio will be one (1) classified worker for each additional three (3) apprentices employed.

Section 2. Scope of Work. Classified workers may perform any work covered by Article I of which they are capable and will work under the general direction of a journeyman. The wage rate for classified workers will be not less than forty percent (40%) of the journeyman wage rate. They shall be covered by the local health and welfare plan. Pension contributions shall be the same percentage as their wage rate.

Section 3. Furnishing of Employees. In the event the Employer is entitled to employ a classified worker and the Union fails to comply with the Employer's written request to furnish a classified worker within forty-eight (48) hours, the Employer may directly hire such employees, and refer them to the Union.

ARTICLE XIV CONDITIONS OF THIS AGREEMENT

Section 1. Term of Agreement. This Agreement and Addenda Numbers I through XXXII attached hereto and the Residential Addendum under separate cover shall become effective on the 1st day of June, 2003, and remain in full force and effect until the 31st of May, 2006, and shall continue in full force from year to year thereafter unless written notice of reopening is given no less than ninety (90) days prior to the expiration date. (See Addendum XXXII, Section 1) In the event such notice of reopening is served, this Agreement shall continue in force and effect until conferences relating thereto have been terminated by either party by written notice, provided, however, that, if this Agreement contains Article X, Section 8, it shall continue in full force and effect until modified by order of the National Joint Adjustment Board or until the procedures under Article X, Section 8 have been otherwise completed.

Section 2. Substitute Provisions. If, pursuant to federal or state law, any provision of this Agreement shall be found by a court of competent jurisdiction to be void or unenforceable, all of the other provisions of this Agreement shall remain in full force and effect. The parties agree to meet and negotiate a substitute provision. If negotiations are unsuccessful, the issue may be submitted

for resolution by either party pursuant to Article X, Section 8 of this Agreement.

Section 3. Amendments to the Standard Form of Union Agreement.

Notwithstanding any other provision of this Article, or any other Article of this Agreement, whenever an amendment to the Standard Form of Union Agreement shall be adopted by the sponsoring national associations, any party to this Agreement, upon the service of notice to all other parties hereto, shall have this Agreement reopened thirty (30) days thereafter, for the sole and only purpose of attempting to negotiate such amendment or amendments into this Agreement for the duration of the term hereof. There shall be no strike or lockout over this issue.

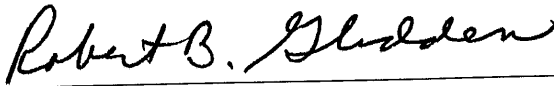
Section 4. Waiver. Each Employer hereby waives any right it may have to repudiate this Agreement during the term of this Agreement, or during the term of any extension, modification or amendment to this Agreement.

Section 5. Collective Bargaining Representative. By execution of this Agreement the Employer authorizes SMACNA, Northern Illinois, Inc. to act as its collective bargaining representative for all matters relating to this Agreement. The parties agree that the Employer will hereafter be a member of the multi-employer bargaining unit represented by said Association unless this authorization is withdrawn by written notice to the Association and the Union at least one hundred and fifty (150) days prior to the then current expiration date of this Agreement.

In witness thereof, the parties hereto affix their signatures and seal this 1st day of June, 2003.

THIS STANDARD FORM OF UNION AGREEMENT HAS PROVIDED FOR THE INCLUSION OF HELPERS AND REDUCTION OF THE WAGE SCHEDULE FOR NEW APPRENTICES. THE PURPOSE OF THIS IS TO MAKE CONTRACTORS MORE COMPETITIVE WITH NON-UNION COMPETITION. TO ACHIEVE THAT OBJECTIVE EMPLOYERS AGREE TO MINIMIZE MULTIPLE MARKUPS.

LOCAL UNION NO. 219 SHEET METAL WORKERS
INTERNATIONAL ASSOCIATION



Robert B. Glidden, Business Manager

SMACNA (SHEET METAL AND AIR CONDITIONING CONTRACTORS'
NATIONAL ASSOCIATION, INC.) OF NORTHERN ILLINOIS, INC.



Stephen J. Doonan, Chairman, Negotiating Committee

ADDENDA TO STANDARD FORM OF UNION AGREEMENT

ADDENDUM I WAGE SCALES (Addendum to Article VIII, Section 1)

Section 1. Journeymen Wage Scale. a. The basic rate of wages for Journeymen Sheet Metal Workers covered by this Agreement, when employed in shop or on a job within the jurisdiction of the Union to perform any work specified in Article I of this Agreement shall be:

<u>Reference</u>	<u>Breakdown</u>	<u>6/1/03</u>	<u>6/1/04</u>	<u>6/1/05</u>
	Base Wage	\$28.69		
Add XIII	SAVAC	0.52		
Add XVIII	Scholarship	0.01		
	Total Gross Taxable Wage	\$29.22		
Add XIV	Employee Benefit Fund**	4.20		
Add XV	Local Retirement Savings Fund	5.40		
Add XVI	National Pension Fund	2.90		
Add XVII	Local Training Fund	0.19		
Art VIII Sec 14a	International Training Institute	0.12		
Art VIII Sec 14b	National Energy Mgt Institute	0.03		
Art VIII Sec 14c	Sheet Metal Occup Health Institute	0.02		
Add XXI	Labor-Management Committee	0.05		
	Building Trades	0.03		
	Project First Rate	0.04		
	Total Package	\$42.20		
Add XIX	Industry Fund	0.25		
Add XXI	Labor-Management Committee	0.05		
	Total Contractor Expense	\$42.50		

PAYROLL DEDUCTIONS:

Add XX	Working Assessment Deduction	2.75%
Add XIII	SAVAC	\$0.52
Add XVIII	Scholarship	\$0.01

b. Employee Benefit Fund Contribution Increases. Should the Employee Benefit Fund Trustees, at any time during the term of this contract, deem it necessary for additional contributions, the funds will be re-allocated from the current taxable wage.

c. Wage Package Adjustments. Adjustments to be made to the building trades journeyman wage package (allocations to be determined)

June 1, 2004 \$2.00 increase

June 1, 2005 \$2.10 increase

May 31, 2006 Contract expires

d. Eligibility for Wage Increase. Beginning with the June 1, 2004 increase, a current CPR certification shall be required to secure a wage increase.

Section 2. Apprentice Wage Scales (Addendum to Article XI Section 6). Apprentice base wage, and local and national pension contributions are based on the following percentages of building trades journeyman rates.

First Year, First Half	40%
First Year, Second Half	45%
Second Year, First Half	50%
Second Year, Second Half	55%
Third Year, First Half	60%
Third Year, Second Half	65%
Fourth Year, First Half	75%
Fourth Year, Second Half	85%
Fifth Year, First Half	85%
Fifth Year, Second Half	85%

Section 3. Helper Wage Scale (Addendum to Article XII, Section 4). The wage rate for helpers shall be thirty-five percent (35%) of the wage rate of Journeymen sheet metal workers.

Section 4. Superintendent Wage Scale. Superintendent wage rate shall be \$2.65 per hour above the basic Journeyman rate.

Section 5. Foreman Wage Scale. Foreman wage rate shall be \$1.93 per hour above the basic Journeyman rate.

Section 6. Show-up Pay (Addendum to Article VIII Section 10).

a. Show-up Pay when placed to work. Journeymen, apprentice, helper and classified sheet metal workers who report for work by direction of the Employer, and are placed to work, shall be entitled to a minimum of four (4) hours' pay at the established rate. This provision, however, shall not apply under conditions over which the Employer has no control.

b. Show-up Pay when not placed to work. With the exception of service work, journeymen, apprentice, helper and classified sheet metal workers who report for work by direction of the Employer, and are not placed to work, shall be entitled to a minimum of two (2) hours' pay at the established rate.

c. Show-up Pay when on call for service. On weekends, an Employee on call for service who is not sent out on a service call shall be entitled to two (2) hours' pay at the established rate for the entire weekend.

Section 7. Swing Seats, Swing Stage and Scaffolding Work Performed Above 35 Feet. Swing seats, swing stage and scaffolding work performed above 35 feet shall be paid at 10% above the employee's current basic wage rate. All other mechanized equipment will be exempt.

Section 8. Nuclear Power Plant Work. Mechanics required to suit-up for work in a hazardous area of nuclear power plant shall receive \$2.00 per hour premium.

Section 9. Withholding Pay (Addendum to Article VIII Section 9). No more than three (3) days pay will be withheld. If there is willful failure to comply, the men will report to work at the regular work day and succeeding working hours will be paid at the rate of time and one-half with pay continuing until pay checks are received.

Section 10. Employees Injured on the Job. Employees suffering an industry injury on the job or in the shop, that may require a doctor's attention, shall not suffer any loss of time for the day in which the injury occurs. If the doctor recommends that the patient go home, such Employee will be paid by the Employer for the day in which the injury occurred, and if the doctor orders his return to work, no time shall be deducted for going to the doctor.

ADDENDUM II TRAVEL AGREEMENT (Addendum to Article VII)

Section 1. Proof of Insurance. An Employee will provide to the Employer proof of insurance on his own personal vehicle before traveling on behalf of the employer in his personal vehicle.

Section 2. Free Travel Zones. The following constitute free zones and no travel pay will be issued for these zones:

a. Radius from shops. Travel within a 35-mile radius surrounding each shop.

b. County of Employee's Residence. Travel from an employee's residence to a jobsite and return in the county in which he/she lives.

Section 3. Work Performed Outside of Free Travel Zones. When employed outside of the county of his/her residence, or the 35 mile radius surrounding an Employer's shop, whichever is closer, travel pay will be paid as follows:

a. Employer Transportation. When using transportation furnished by the Employer, an Employee shall be paid \$0.25 per mile from the outer limits of the free zone to the jobsite and return before and after regular working hours as defined in Article VI of the Standard Form of Union Agreement.

b. Employee Transportation. When using his own vehicle for transportation, an Employee shall be paid \$0.45 per mile from the outer limits of the free zone or the city limits of his/her residence to the jobsite and return before and after regular working hours as defined in Article VI of the Standard Form of Union Agreement.

Section 4. Car Pooling. When two or more Employees are riding together in an Employee's vehicle, one Employee, specifically the vehicle owner, shall be paid \$0.45 per mile; the other Employees shall receive \$0.25 per mile.

Section 5. Food and Lodging. When an Employee is required to remain away from his residence and/or shop for more than one day, an Employer shall pay, in addition to mileage, a reasonable amount of monies, to be determined in advance between the Employee and the Employer, expended by the Employee for food and lodging. Employees shall furnish receipt for expenses at the Employer's request.

ADDENDUM III

WORKDAY, WORKWEEK, HOLIDAYS, SHIFT WORK

(Addendum to Article VI)

Section 1. Regular Workday and Workweek (Addendum to Article VI, Section 1). The regular workweek shall be eight (8) hours labor per day in the shop or at the job site, Monday through Friday 8:00 a.m. to 4:30 p.m., a fifteen (15) minute paid break at the mid-point of the morning, and a lunch period from 12 noon to 12:30 p.m., except when job conditions prevent this. Upon mutual agreement a straight-time make-up day will be allowed on Saturdays due to job and weather conditions.

a. 4-10 Hour Work Week Option. With the exception of Thanksgiving week, an option of a 4-10 hour workweek may be adopted, excluding Saturday and Sunday by mutual agreement of the majority of the men and on a job by job by shop basis. Does not apply to shift work or State of Illinois work.

b. Optional Starting Time. An optional starting time may be adopted prior to 8:00 a.m. by mutual agreement between the Employer and the majority of the men involved.

Section 2. Work Performed Outside of Regular Working Hours (Addendum to Article VI Section 1). **a.** All work performed outside of regular working hours and performed during the regular work week shall be paid at one and one-half (1-1/2) times the basic rate of pay with exception of shift work. The shift rate does not apply through the weekend.

b. Saturday Work (Addendum to Article VI Section 2). All work performed between the hours of 12:01 a.m. and 4:30 p.m. on Saturdays shall be paid at one and one-half (1-1/2) times the basic rate of pay with double time payable after eight (8) hours of work.

c. Other Weekend Work (Addendum to Article VI Section 2). All work performed after eight (8) hours on Saturday through Sunday shall be paid at two (2) times the basic rate of pay except when working nine (9) hours per day during the regular work week Mondays through Fridays, in which case Monday hours from 7:00 a.m. to 8:00 a.m. shall be paid at one and one-half (1-1/2) times the basic rate of pay.

Section 3. Service Work.

a. Regular Workweek for Service Work. The regular workweek for service work shall be eight (8) hours labor per day in the shop or at the job site, Monday through Friday between the hours of 6:00 a.m. and 5:30 p.m., and a 30-minute lunch period.

b. Start Time for Service Work Performed on the Weekends. On weekends, service personnel starting time shall begin at the shop or at the service person's residence, whichever is closest to the first call of the day. The day ends at the shop or at the service person's residence, whichever is closest to the last call of the day.

c. Service Work Performed on the Weekends. All service work performed on Saturday and Sunday shall be paid at one and one-half (1-1/2) times the employee's current basic wage rate.

d. Service Work Performed on Holidays. All service work performed on designated holidays shall be paid at two (2) times the employee's current basic wage rate. When a holiday falls on a weekend and is observed on Friday or Monday, both days will be paid at two (2) times the employee's current basic wage rate.

Section 4. Shift Work (Addendum to Article VI Sections 1 & 4). a. A shift is considered to be any eight continuous hours of work. Under normal conditions shifts will be designed and paid as follows:

Shift	Workday	Paid at:
1 st	8:00 a.m. - 4:30 p.m.	Employee's current basic wage rate
2 nd	4:30 p.m. - 12:30 a.m.	115% of the Employee's current basic wage rate
3 rd	12:30 a.m. - 8:00 a.m.	130% of the Employee's current basic wage rate

b. Third Shift. To allow for five (5) full days in the use of the third shift, the Employee has an option of working the fifth (5th) day on either Monday a.m. or Friday a.m.

c. Requirements. The only requirement to establish a shift is eight (8) continuous hours and to pay the premium assigned to those hours.

d. Splitting a shift. A shift may be split and fall into two different time periods. When this happens the employee shall be paid the respective shift rate for the respective hours. Example: An employee working from 2:00 p.m. to 10:00 p.m. will be paid at the regular rate of pay for all hours worked from 2:00 p.m. to 4:30 p.m., and the 2nd shift rate of 115% for all hours worked from 4:30 p.m. to 10:00 p.m. The same method applies to splitting 2nd and 3rd shift hours.

e. Shift Work Overtime. All overtime work performed in connection with shift work shall be at one and one-half (1-1/2) times the assigned shift rate.

Section 5. Holidays Falling on Weekends (Addendum to Article VI Section 2). All holidays falling on a Saturday shall be observed on the preceding Friday, and all holidays falling on a Sunday shall be observed on the following Monday.

Section 6. Vacation Time. No more than 20% of an Employer's employees shall take vacation at the same time unless mutually agreed to by the Employer and Employees.

ADDENDUM IV APPRENTICES AND HELPERS ADDENDUM

Section 1. Ratio (Addendum to Article XI Section 4 and Article XII, Section 1). It is hereby agreed that the Employer shall be entitled to apply to the Joint Apprenticeship and Training Committee on the following basis and said ratio shall govern the consideration and grading of apprentices by the Joint Apprenticeship and Training Committee. Building Trades Helpers shall be available for building trades work at the following ratios.

<u>Journeyman</u>	<u>Apprentices & Helpers</u> (Limit 2 helpers)
1 journeyman	1 apprentice OR 1 helper (NOT BOTH)
2 journeymen	1 apprentice AND 1 helper OR 2 apprentices (no helpers)
3 journeymen	NO CHANGE
4 journeymen	At least 1 apprentice AND up to 2 helpers OR 2 apprentices AND up to 1 helper
5 journeymen	NO CHANGE
6 journeymen	2 apprentices AND up to 2 helpers
7 journeymen*	NO CHANGE
8 journeymen*	3 apprentices AND up to 2 helpers
Each three (3) journeymen employed thereafter	1 additional apprentice

*After the sixth (6th) journeyman, a journeyman must be employed for eight (8) consecutive months immediately preceding the filing of a request for an apprentice in order to be considered part of the ratio.

Section 2. Apprentices

a. Training. All apprentices should be trained in accordance with the Apprenticeship Standards.

b. Apprentices Working Alone (Addendum to Article XI, Section 5). All apprentices will be allowed to work alone after three (3) years of training. All apprentices working on service work will be allowed to work alone after six (6) months.

c. Overtime Work. Section 1 of this Addendum shall govern employment of apprentices on overtime work.

d. Applicants for Apprenticeship (Addendum to Article XI, Section 5). All applicants for apprenticeship shall meet the requirements of the Apprenticeship Standards and shall be over the age of seventeen (17) years of age.

e. Instructors. The selection of instructors for the apprenticeship training program shall be the responsibility of the Joint Apprenticeship and Training Committee.

Section 3. Helpers (Addendum to Article XII Section 1)

a. Registering with Union. All helpers are required to register before starting to work with Local 219 and pay the current working assessment.

b. Scope of Work. Helpers may perform any work covered by Article I of which they are capable and will work in the presence of a journeyman. They cannot work overtime on weekends doing bargaining unit work without a journeyman. ~~A helper performing service work shall be allowed to work alone.~~

c. Number of Helpers: No shop shall have more than two (2) helpers and the helpers shall be part of the ratio.

d. Testing. All helpers would be allowed to take the test three times within a six-month period. The helper would take the test initially upon registering with Local 219. If the initial test is failed, the helper would be allowed two more attempts to take the test every 90 days. In the event that the test is failed after three attempts, the helper may be terminated.

e. Layoffs (Amendment to Article XII, Section 1): Helpers shall be laid off before apprentices.

f. Term of Helper (Addendum to Article XII, Section 3) . A helper may be retained beyond one year.

ADDENDUM V SHOP AND JOB STEWARD

Section 1. Stewards. Whenever two (2) or more journeymen members of the Union are working together the Union may select one (1) man as Steward. However, not more than one Steward shall be appointed in a shop or on a job site for each contractor. The Steward shall be given a reasonable time during working hours to perform his normal duties as Steward.

Section 2. Duties. The duties of the Shop and Job Steward shall be to report to the Business Representative of the Union violations of the collective bargaining agreement.

Section 3. Protection. In no event shall an individual Employer discriminate against a Steward or lay him off, or discharge him on account of any action taken by him in the performance of his normal union duties.

a. Provided said Employer has been notified of the Steward's appointment, a Steward shall not be laid off without just cause. The Union retains the right to investigate and determine the cause for discharge.

b. Should the Union disagree with the Employer's reason for discharge or layoff of a Steward, then the case will be processed with Article X of the Standard Form of Union Agreement, except the committee shall meet within seventy-two (72) hours. The Stewards may be paid wages pending the processing of the case by the Joint Adjustment Board.

c. In the event the local committee finds the Employer in violation, the Steward shall be reinstated without loss of pay, maximum to be three (3) working days at straight time. If the Steward is found to be in violation, he shall not be eligible for back pay. If the local committee does not reach a decision and the next step or steps of Article X is instituted, then the National Joint Adjustment Board shall make the decision on reinstatement and/or loss of pay.

Section 4. The Business Representative of the Union shall at all times have the privilege, during working hours, to enter any shop of a contractor signatory to this Agreement, when members are present, providing he reports to the office at the time of entering the shop as well as leaving or to go on any job site. However, he will conduct his business as quickly as possible. He must not interfere or hinder the progress of the work except where the safety

of his members or a violation of his Agreement is involved.

ADDENDUM VI SUPERVISORY PERSONNEL

Section 1. Superintendent. A Superintendent is a Journeyman sheet metal worker of Local 219 with one or more foreman under his supervision or in charge of ten (10) or more employees.

Section 2. Foreman. a. A Foreman is a Journeyman sheet metal worker of Local 219 in charge of four (4) or more employees, himself included. The Employer agrees to designate a Journeyman sheet metal worker of Local 219 as Foreman for each shop and for each job site consisting of four (4) or more and under ten (10) employees. Additional Foremen will be appointed as per the following:

2nd Foreman	-	11 to 20 Employees
3rd Foreman	-	21 to 30 Employees
4th Foreman	-	31 to 40 Employees etc.

b. An Employee who is made a Foreman on a job shall continue as Foreman as long as he is working on that job. This would not apply to an Employee who is made a Foreman during a one-day manpower fluctuation.

ADDENDUM VII REFERRAL

Section 1. Union Referral. a. The Employer agrees that the Union shall select and refer Journeymen Sheet Metal Workers to fill the Employer's job vacancies as they occur; said selection by the Union shall be non-discriminatory in any respect as to race, color, sex or creed.

b. Fact Sheet. Whenever an Employee is referred to an Employer, a fact sheet shall be supplied by the Union indicating the employee's name, age, address, social security number and telephone number.

Section 2. Out of Work Register. The Union shall maintain an "out of work" register listing Journeymen for employment.

a. Registering with Union. Each Journeyman shall register with the Union when employment is terminated.

b. Job Departure Slips: Will be required to be completed and signed by

the Employer and Employee whenever employment is terminated for any reason.

Section 4. Determining Qualifications. The Union shall determine qualifications of workmen who wish to qualify for registration as journeymen by written, fabrication and practical examinations.

Section 5. Employer Rights. The Union recognizes the following Employer rights:

- a. The right to hire independently of this referral procedure, but the Employee shall notify the Union of his hire before going to work.
- b. The right to reject a Journeyman for cause. The Employer agrees not to discriminate in any way against a referred Journeyman.
- c. The right to manage and direct production, including the right to plan, direct and control operations in the shop and/or at the job site.
- d. The right to schedule working hours and to maintain discipline and efficiency of employees.
- e. The right to require Employees to observe rules and regulations and the Joint Substance Abuse Policy (Addendum XXX), consistent with the terms of this Agreement.

ADDENDUM VIII TOOLS AND SAFETY EQUIPMENT (Addendum to Article IX Section 1)

Section 1. Employer Furnished Equipment. The Employer agrees to supply and furnish all power tools and/or equipment and in sufficient quantity to perform the work described in Article I of this Agreement. The Employer shall furnish all safety equipment (leather gauntlet gloves, goggles, welding helmets and sufficient lighting, etc.).

- a. **Hard Hats.** Replacement of hard hats will be responsibility of the Employee. Contractors will supply hard hats only in the case of "on-the-job" hire and when a new apprentice is placed in his employ. The only other exception would be if a mechanic has never worked in an area requiring a hard hat and the job to which he is assigned would require wearing a hard hat, then equipment is to be assigned to the Employee.

b. Safety Shoes and Prescription Safety Glasses. Safety toe shoes and prescription safety glasses are to be furnished by the Employee when required.

Section 2. Assigned Equipment. The Employer shall assign tools and equipment to the individual Employee, who shall be accountable to the Employer for their return.

Section 3. Employee Furnished Equipment.

a. Journeymen and Apprentices. Journeymen Sheet Metal Workers and registered apprentices covered by this Agreement, shall provide for themselves a minimum of hand tools, in good condition, as listed below:

- One tool box
 - One bull dog snips
 - One pair wide nose pliers
 - Two pairs vice-grip pliers
 - One cold chisel
 - One scratch awl
 - One center or prickpunch
 - One pair dividing points
 - One 6' folding rule
 - One pair No. 18 Wiss snips (or equal)
 - Two pairs aviation snips (left and right hand)
 - Two straight screw drivers, large and small
 - Two Phillips screw drivers, large and small
 - One crescent wrench
 - One pair channel locks
 - One rivet set
 - One dolly bar
 - One set Allen wrenches
 - One drift pin
 - One 12" level
 - One 16 oz. hammer
 - One Whitney No. 5 hand punch, or equal (maximum length 10")
 - One 12" combination square
 - Hand pop rivet guns, not to exceed 5/32
 - Non-prescription Safety Glasses, after the first pair that have been provided by the Employer
-
- One plumb bob
 - One 50' steel tape
 - One pair 4" folders
 - One 25-40' steel tape
 - One back saw

b. Helpers. Helpers covered by this Agreement, shall provide for themselves a minimum of hand tools, in good condition, as listed below:

- One tool box
- One scratch awl
- One center or prickpunch
- One pair dividing points
- One pair No. 18 Wiss snips (or equal)
- Two pairs aviation snips (left and right hand)
- Two straight screw drivers, large and small
- One 25-40' steel tape
- One 16 oz. Hammer

c. Employee Furnished Equipment for Service Work. Pocket Thermometers.

Section 4. Penalty for Violation. Employees guilty of failing to use safety equipment as provided by the Employer, such as safety glasses, goggles, hard hats, etc. are to receive a reprimand, and a warning that a second instance may result in suspension or lead to termination.

ADDENDUM IX SAFETY

Section 1. Joint Safety Committee. There shall be a Joint Safety Committee consisting of the members of the Joint Adjustment Board. The Committee shall meet at such times and place between the hours of 8:00 a.m. and 4:30 p.m.

Section 2. Mandatory Safety Meetings. Employees will be required to attend pre-scheduled Safety Meetings of 15 to 20 minutes per month on their own time.

Section 3. Penalty for Violation. Employees guilty of willfully ignoring or failing to observe and/or abide by safety rules and regulations, may be subject to discharge by Employer.

ADDENDUM X BIDDING

Section 1. Bidding. a. The Employer and the Union recognize that it would be mutually beneficial if job bidding would include bids on all sheet metal work to be conducted on every job. Therefore, it is agreed as follows:

b. Union Assistance. The Union agrees to assist the Employer by informing the Employer of work within the jurisdiction of claims of the Union as set forth in Article I of this Agreement, and further to cooperate with the Employer in all other respects to accomplish the desired results of this provision.

Section 2. Subcontracting (Addendum to Article II, Section 2). Each subcontractor will be required to complete and submit to Local 219 and SMACNA of Northern Illinois a Shop Fabrication Certified Payroll Form and a Material And/Or Equipment Voucher for each job.

ADDENDUM XI CONDITIONS

Section 1. Contractor Requirements. An Employer operating a Sheet Metal shop must meet the following qualifications:

a. Place of Business. A place of business in a commercial or industrial zoned area of not less than five hundred (500) square feet of floor space and equipped with a brake, shear, lockformer, roll, hand machines, etc.

b. Transportation. Provide a truck for transportation of men and material. Both sides of truck will be permanently lettered with firm name in at least four-inch letters.

c. Telephone. Have a telephone and telephone listing in the telephone directory covering his specific business.

d. Employees. Each Employer covered by this Agreement shall employ at least one (1) Journeyman sheet metal worker who is not a member of the firm, on all work specified in Article I of this Agreement.

e. Unemployment Insurance. Subscribe and have each employee insured under the Illinois Unemployment Compensation Act under the elective or compulsory provision of the Act and furnish a copy of such Employers' account number to the Local Union and Association.

f. Workmen's Compensation Insurance. Shall carry Workmen's Compensation Insurance and furnish a Certificate of such insurance attested by the Insuring Agent to the Local Union and Association.

Section 2. Eligibility of Owner-Members. Except as otherwise provided in Section 3 of this Addendum, no owner, partner, agent, contractor, sub-con-

tractor, jobber, or any other person who is directly or indirectly financially interested in or who is an officer of or otherwise involved in the management of a sheet metal shop, business, or job and no person compensated on a lump sum, piece work or other basis, which is not in accordance with the wage scales and working conditions established by the International Association and the local unions and councils affiliated therewith, shall be eligible to make application for membership or be accepted or continued as a member of this Association or of any local union or council thereof. (Owners are not eligible to be owner members of the local Union or members of the Contractor Association unless they comply with the wage scales and working conditions of this agreement.)

Section 3. Owner-Members. An owner, employer, contractor, jobber or anyone who otherwise participates as management in the Sheet Metal Industry shall be eligible to retain or apply for membership in the International Association or any local union thereof as an owner-member with the same rights and duties as other members except as provided below:

a. Signatory Status. The sheet metal shop or business with which he is connected is in signed agreement with the local union or local unions having jurisdiction over the shop and the shop must employ at least one journeyman sheet metal worker who is a member of the International Association and not in way connected with the management thereof.

b. Attending Union Meetings and Holding Office. An owner-member shall not be entitled to attend any meetings or to be permitted to vote for election of local union officials or any questions pertaining to wages, hours, benefits, or other terms or conditions of employment or on the acceptance or rejection of a collective bargaining agreement, and further, shall not be permitted to serve in a representative capacity or hold any office or position in the local union.

c. Working for Another Employer. An owner-member shall not be permitted to work in any capacity in the sheet metal industry for another employer.

d. Financial Obligations. An owner-member who fails to fulfill his financial obligations by making proper payment to his employees for work performed or to contribute the contractual obligations to fringe benefit funds shall be subject to charges and penalties as prescribed in Article 17 of the International Constitution.

e. Payment of Fringe Benefits. An owner-member shall pay the minimum regular work weeks hours per week to all fringe benefit programs under the respective collective bargaining agreement; provided, however, if the

owner-member works with the tools in excess of the minimum number of hours, he shall pay to all fringe benefit programs for the actual hours worked in accordance with said collective bargaining agreement.

Section 4. New Employer. The Union shall notify the Association Office of signing an agreement with a new Employer and meeting the requirements of the Contract by forwarding a copy of the signed Memorandum of Agreement to the Association Office.

Section 5. Employer No Longer in Business. The Union and the Association agree to notify the other upon receiving notification of an Employer no longer in business for any reason. Each party agrees to forward any written notification of such closing of business to the other party.

ADDENDUM XII PAYMENT OF FRINGE BENEFITS

Section 1. Remittance. The Employer shall remit all contribution reports and three (3) checks monthly to Sheet Metal Workers Local 219, 3316 Publishers Drive, Rockford, IL 61109, as outlined below. All paperwork and contributions are due and payable on the 15th of the month and will be considered delinquent on the 20th of the month.

a. Sheet Metal Workers Local 219. One check shall be made payable to Sheet Metal Workers Local 219 for the total of all fringe benefit contributions reportable on the Local Monthly Contribution Report except Industry Fund and Labor Management Committee.

b. SMACNA, Northern Illinois Industry Fund. One check shall be made payable to SMACNA, Northern Illinois Industry Fund for the total of the Industry Fund and Labor Management Committee contributions on the Local Monthly Contribution Report.

c. Sheet Metal Workers National Benefit Fund. One check shall be made payable to Sheet Metal Workers National Benefit Fund (SMWNBF), for the total of all contributions reportable on the Sheet Metal Workers Uniform Fringe Benefit Remittance Report.

Section 2. Delinquent Payments. All paperwork and contributions are due and payable on the 15th of the month and will be considered delinquent on the 20th of the month. When the Employer's contribution payment is considered delinquent (the 20th of the month) and upon proper written notice from the Union to the Employer, the Union shall have the right to remove the jour-

neyman, apprentice and residential sheet metal workers from the delinquent Employer's shop or jobsite.

Section 3. Delinquency Policy. All Employers signatory to this Agreement may be subject to liquidated damages, interest, audit fees, attorney fees and court costs involved in the collection of delinquent contributions, as outlined in the Sheet Metal Workers Local 219 Trust Funds Delinquency Recovery Program.

ADDENDUM XIII SAVINGS/VACATION FUND (SAVAC)

Section 1. Contributions to Vacation Plan. The Employer agrees to deduct from all sheet metal worker members and apprentices the minimum amount of (See Addendum I) per hour worked from his/her gross wages and remit these funds monthly to the Savings/Vacation Fund as outlined in Addendum XII.

Section 2. Political Action League. With the Employee's authorization, Sheet Metal Workers Local 219 will forward \$0.02 per hour of the contributed Savings/Vacation Funds to PAL.

Section 3. First and Second Year Apprentices. First and Second Year Apprentices can waive the Savings/Vacation Fund contribution and should notify their Employer of their decision to do so

ADDENDUM XIV EMPLOYEE BENEFIT FUND

The Employer agrees to contribute to the Employee Benefit Fund, the sum of (See Addendum I) per hour worked, calculated to the nearest hours worked (this is above the wage rate) for each Employee covered by this Agreement. The Fund is administered by a Board of Trustees in accordance with the terms of a Trust Agreement. Contributions of the Employer shall be forwarded to Sheet Metal Workers Local 219, together with report forms supplied for such purpose not later than the fifteenth (15th) day of the following month. By making payments in accordance with this signed Labor Agreement to the Fund each contributor shall become a party to the Trust Agreement and become bound by the terms and provisions thereof. The Employer shall, however, have no responsibility to the Fund, except the making of payments as specified (failure to make such payments as specified shall cause the Employer to be liable for claims arising from such negligence) and compliance with the rules and regulations agreed upon for the successful operation of the Fund.

Any Employer failing to make prompt and timely payment of contribution as stated above to the Trust named above shall, in addition to the aforesaid hourly contribution, pay an additional amount of ten percent (10%) of the amount due in liquidated damages for failure to pay in accordance with this Agreement.

The Employer shall be liable for claims to the extent of benefits to which the Employee would have been entitled if the Employer had made the required contributions, and for all contributions and liquidated damage due thereunder, plus all legal fees incurred by the Trust Fund in enforcing the payment thereof.

Final interpretation of the rules and regulations of the Benefit Fund and its administration shall rest solely with the Board of Trustees. The appointment of the respective Trustees is hereby confirmed and ratified, together with their successors, designated in the manner provided in said Trust Agreement.

In the event the Trustees of the Fund or Union question the authenticity or accuracy of the information completed on the forms, or in the event of a belief that the amounts being transmitted are not in accordance with the terms of this Agreement, the Trustees of the Fund shall have the right upon reasonable notice to have an audit of the payroll records of Employees covered by this Agreement made by a Certified Public Accountant. In the event a discrepancy discovered exceeds three percent (3%), the Employer shall bear accounting costs and shall be liable for all cost for collecting payments due, together with any attorney's fees and damages assessed by the Trustees.

The Employer shall furnish to the Trustees, upon request, such information and reports as the Trustees may require in the performance of their duties, including the following: weekly payroll journals, individual earnings records for all employees paid on an hourly basis or who are in covered employment and ~~quarterly withholding tax and FICA TAX returns (Forms 941 and W-3).~~ The Trustees, or any authorized agent of the Trustees, shall have the right at all reasonable times during the business hours to enter upon the premises of the Employer as may be necessary to permit the Trustees to determine whether the Employer is fully complying with the provisions regarding Employer contributions.

In the event the Trustees are required to file suit by reason of an Employer's failure to maintain his monthly Employee Benefit Fund contributions called for in this Labor Agreement and a judgment is rendered in favor of the Trustees, the Trustees will also be entitled to attorney's fees and court costs charged to receive such judgment.

Benefit contributions as negotiated in this Joint Agreement are payable monthly to Sheet Metal Workers Local 219. These contributions and accounting of hours worked are due on the FIFTEENTH DAY OF THE MONTH FOLLOWING THE MONTH THE HOURS WERE WORKED, AND ARE TO BE CONSIDERED DELINQUENT AFTER THE TWENTIETH OF THE MONTH FOLLOWING THE MONTH THE HOURS ARE WORKED.

Such contributions shall not be considered wages. The Fund office is to supply all forms for reporting these contributions.

It shall be considered a violation of this Agreement for any Employer to fail to pay or comply with any provisions of this article or any rule or regulation made by the Trustees administering the Fund. In the event that the Union received written notice from the Trustees that the Employer has failed to pay any sum due the Fund and that such failure has continued for forty-eight (48) hours after an Employer has received written notice thereof, the Union may withdraw the Employees from such Employer's employment until all sums due from the Employer have been paid in full. Such withdrawal of Employees to collect contributions to the Fund shall not be considered a violation of this Agreement on the part of the Union and it shall not be a subject of arbitration.

If Employees are withdrawn from any job in order to collect contributions to the Sheet Metal Local 219 Benefit Fund, the Employees who are affected by such stoppage of work shall be paid for lost time up to sixteen (16) hours provided that two (2) days notice of the intention to remove employees from a job is given to the Employer by the Union by registered or certified mail.

ADDENDUM XV LOCAL RETIREMENT

It is understood and agreed that there has been established a Pension Fund known as the Sheet Metal Workers Local 219 Retirement Savings Plan (Fund).

During the term of this contract, the Employer shall be liable to contribute (See Addendum I) per hour, for each hour worked by the Employee under the terms of this Agreement to the aforementioned Fund.

The Fund maintains a place of business at 3316 Publishers Drive, Rockford, Illinois 61109 or at such other place designated by the Trustees. Contributions of the Employer shall be forwarded to such business office together with report forms supplied for such purpose no later than the fifteenth (15th) day of the following month, for the proceeding month.

It is understood and agreed that the Employer shall be bound to the terms and provisions of the Agreement and Declaration of Trust of the Sheet Metal Workers Local 219 Retirement Savings Plan, and all amendments heretofore or hereafter made thereto, as though the same were fully incorporated herein.

If payment for contributions as defined above is not received by the Fund Office by the fifteenth (15th) day of the month, the Employer shall be deemed to be in violation of this Agreement and the aforementioned Trust Agreements and shall be liable for contributions due, liquidated damages, interest and any other costs of collection. If payment is not received by the twentieth (20th) day of the month, ten percent (10%) liquidated damages will be automatically incurred.

The Fund is established and to be administered in accordance with the applicable provisions of the Labor Management Relations Act of 1947, as amended and the Employee Retirement Income Security Act of 1974 as amended, and all other applicable laws.

Contributions to the aforesaid Fund shall not constitute or be deemed wages due to the Employee. The sole liability of the Employer, except as otherwise provided herein, shall be the payment of the Pension contributions as provided in this Addendum.

ADDENDUM XVI NATIONAL PENSION FUND

Sheet Metal Workers' National Pension Fund "Standard Form" of participation agreement.

The undersigned Employer and Union represent that the only agreement ~~between them regarding participation in the Sheet Metal Workers' National Pension Fund (The "Fund")~~ is as follows:

1. Commencing with June 1, 1984, and for the duration of this Agreement and any renewals or extensions thereof, the Employer will contribute to the Fund (see Addendum I) an hour (or any increased amount included in subsequent agreements) for each hour or part of an hour for which an Employee covered by the collective bargaining agreement between the Employer and the Union received the basic hourly wage rate. Contributions for those hours paid at time and a half or double time rates will be made to the Fund at one and one-half (1-1/2) or two (2) times the hourly contribution rate, respectively. Contributions are required for vacation time, sickness absences, and other hours for which payment is made to the Employee in accordance with the

applicable collective bargaining agreement between the Employer and the Union.

2. Contributions shall be paid on behalf of an Employee starting with the Employee's first day of employment in a job classification covered by the collective bargaining agreement.

3. The Agreement and Declaration of Trust establishing the Fund is incorporated herein by reference and by signing the Participation Agreement the Employer adopts the provisions of that Trust Agreement, including, but not limited to, the following:

A. Amendment to Article V, Section 3 of the Trust Agreement. Effective January 1, 1999, Article V, Section 3 of the September 22, 1993 Amended and Restated Declaration of Trust Establishing the Sheet Metal Workers' National Pension Fund (the "Trust Agreement") is hereby amended in its entirety to read as follows:

Section 3. MODE OF PAYMENT AND SECURITY FOR PAYMENT.
(See Addendum XXII)

- a. By agreeing to make contributions to the Fund, an Employer acknowledges and agrees that all such contributions shall be made payable to the Sheet Metal Workers' National Pension Fund and shall be paid in the manner and form determined by the Trustees, in their sole and absolute discretion.
- b. Every Employer shall make contributions to the Fund when they become due. To secure the timely payment of contributions to the Fund, each Employer who first becomes obligated to contribute to the Fund after June 30, 1999 shall post a bond satisfying the requirement of this Section 3. In addition, any other Employer who, at any time after July 1, 1999, fails to make contributions when they become due, and has not paid such delinquent contributions by the Fifteenth (15th) day of the month following the month in which the contributions were due, shall post a bond in accordance with the requirements of this Section 3.
- c. In the case of an Employer who first becomes obligated to contribute to the Fund after June 30, 1999, the bond shall be \$1,000 per employee, but in no event less than \$5,000, and shall be based on the number of employees employed by the Employer on the date it first became obligated to contribute to the Fund. The amount of the bond shall be adjusted quarterly, based upon the highest number of employees employed by the Employer during the preceding quarter. The bond must remain in full force and effect for a period of two years from the date the bond is accepted by the Fund. If, at the end of such two-year period, the Employer

has not been delinquent to the Fund, the Employer and Local may jointly request that the bond be released. If the Employer has been delinquent in making contributions to the Fund during such two-year period, the Employer shall post a new bond meeting the requirements of subsection d below, as well as the other requirements of this Section 3.

- d. Except as otherwise provided in subsection c above, the amount of the bond required under this Section 3 shall be equal to \$1,000 per employee, but in no event less than \$5,000, and shall be based upon the highest number of employees employed by the Employer during the two-year period preceding the month in which the Employer became obligated to post a bond meeting the requirements of this subsection d. However, if the Employer has been obligated to contribute to the Fund for a period of less than two years, the amount of the bond shall be based on the highest number of employees employed by the Employer at any time during the period if has been obligated to contribute to the Fund. Beginning with the second quarter after the bond was posted, the bond amount shall be increased quarterly (but not decreased) based on the number of employees employed in the preceding quarter if that number exceeds the number of employees upon which the initial bond amount was based. The bond must remain in full force and effect for at least two years from the date the bond is accepted by the Fund. If within such two-year period the Employer has not been delinquent, the Employer and the Local may jointly apply for a release of the bond. If after the expiration of the bond, the Employer again fails to make contributions when they become due, and fails to pay such delinquent contributions by the fifteenth (15th) day of the month following the month in which such contributions were due, the Employer shall be required to post a new bond meeting the requirements of this subsection d, as well as the other requirements of this Section 3.
- e. As used herein, the term "bond" shall mean a surety bond, in form and substance acceptable to the Trustees, as determined in their sole and absolute discretion, from a suitable bonding company or insurer that is licensed to do business in the state of the Employer's principal place of business. The term "bond" shall also be deemed to refer to any acceptable substitute for a surety bond as set forth below. The beneficiary of the bond shall be the Fund.
- f. In the even an Employer is unable to procure a bond, the Employer shall pay the equivalent amount of the bond, as determined above, in cash, to the Fund. Such cash deposit shall be paid in such manner, and at such time as the Fund may demand.

The Fund shall hold the cash deposit in an interest bearing escrow account. Alternatively, the Employer may provide an irrevocable Letter of Credit or Certificate of Deposit in form and substance acceptable to the Trustees, as determined in their sole and absolute discretion. The escrow account, Letter of Credit or Certificate of Deposit will be subject to release under the same terms and conditions as apply to the release of a bond.

- g. If the Employer has a bond which covers both contributions to the fund and any other employee benefit plan, such a bond may be accepted by the Fund, provided that such bond equals or exceeds the requirements of this Section 3, and is otherwise consistent with the purposes of this Section 3, as determined by the Trustees in their sole and absolute discretion.
- h. Proof of any bond required under this Section 3 shall be furnished upon written demand by the Fund to any Employer or Local which is a party to an agreement requiring contributions to the Fund.
- i. The Fund may call any bond required to be posted under this section 3 at any time after an Employer has failed to make payment of any past-due contributions, interest on such contributions, liquidated damages, attorney fees and costs to which the Fund is entitled under the terms of this Agreement and Declaration of Trust or under applicable law. Resort to the bond by the Fund shall in no way limit the use of any and all collection mechanisms available under this Agreement and Declaration of Trust, any Collective Bargaining Agreement or other agreement requiring contributions to the Fund or otherwise under applicable law.
- j. An Employer and Local may make written application to the Fund for a waiver of any or all of the bonding requirements under this Section 3; provided, that the Employer has not been delinquent in making contributions to the Fund at any time during the 24-consecutive month period preceding the date of the application. Any such waiver shall rest with the sole and absolute discretion of the Trustees. The Trustees may require an audit or other examination of the Employer to determine compliance with its contribution obligations prior to the release of any bond.
- k. The posting of a bond in accordance with this Section 3 shall in no way relieve any Employer of its obligation to make contributions to the Fund when they become due. Nothing in this Section 3 shall in any way limit or affect any other rights or remedies the Fund may have in the event an Employer fails to make contributions to the Fund when they become due. The requirements of this Section 3 are in addition to any obligation or liability an Employer may have in the event the Employer is delinquent in

making contributions to the Fund, including, but not limited to, any obligation or liability imposed upon an Employer under Section 4 of this Article V.

- B. Amendment to Article V, Section 4 of the Trust Agreement. Effective January 1, 1999, subsection b of Article V, Section 4 is hereby amended by adding the following sentence at the end thereof: In addition to the requirements of this Section, Delinquent Employers shall be subject to the bonding requirements of Article V, Section 3. In all other respects, Article V of the Trust Agreement shall remain unchanged and in full force and effect.

4. It is agreed that all contributions shall be made at such time and in such manner as the Trustees require. The Trustees shall have the authority to have their auditor or an independent Certified Public Accountant audit the payroll and wage records of the Employer for the purpose of determining the accuracy of contributions made to the Fund. If the audit reveals that inaccurate contributions or an insufficient number of contributions have been made, the Employer agrees to pay all accountant's fees incurred in making the audit, but not to exceed the extent of his delinquency and also all legal fees and costs incurred in collecting said accountant's fees if judicial enforcement of this paragraph is necessary.

5. Employers shall submit a remittance report and the required contributions to the Fund by the 15th of the month following the month when covered employment was performed. Failure to file that report shall constitute a delinquency in violation of the Employer's obligation under this Agreement. The Trustees may take whatever steps they deem necessary, including legal action, to collect such delinquent payments, any provisions of the collective bargaining agreement to the contrary notwithstanding. If delinquent, the Employer agrees to pay the interest, liquidated damages, attorney's fees and costs as provided for in Article V, Section 4, of the Trust Agreement. ~~An Employer's liability for payment of a delinquency shall not be subject to the grievance or arbitration procedures contained in the collective bargaining agreement.~~

6. If any Employer's workforce did not perform any covered employment within a particular month, a remittance report shall be filed on the 15th day of the following month indicating that no covered employment was performed. Failure to do so shall subject the Employer to liability for all fees and costs resulting from his failure to file such report or \$100.00, whichever is greater.

7. It is agreed that the Fund shall at all times conform with the requirements of the Internal Revenue Code so as to enable the Employer to treat contributions to the fund as a deduction for income tax purposes.

8. The parties agree that the Participation Agreement shall be considered as a part of their collective bargaining agreement.

9. The expiration date of the present collective bargaining agreement between the undersigned parties is (See Addendum XXXII Section 1). Copies of renewal or extension agreement will be furnished promptly to the Fund's Office and, if not consistent with this Participation Agreement, can be used by the Trustees as the basis for terminating the Employer's participation in the Fund.

ADDENDUM XVII LOCAL TRAINING

The Employer agrees to contribute to the Local Training Fund the sum of (See Addendum I) per hour worked to be used for apprentice and journeyman training as per rules and regulations established by the Trust.

ADDENDUM XVIII SCHOLARSHIP FUND

The Employer agrees to deduct from all sheet metal worker members and apprentices the amount of (See Addendum I) per hour worked from his/her gross wages and remit these funds monthly to the Sheet Metal Workers Local 219 Scholarship Fund as outlined in Addendum XII.

ADDENDUM XIX LOCAL INDUSTRY FUND (Addendum to Article VIII Section 12 and 13)

The provisions contained in Article VIII, Sections 12(b) and 13(b) of the Standard Form of Union Agreement is voided by agreement of the parties.

The Employer shall pay to the SMACNA, Northern Illinois Industry Fund the sum of (See Addendum I) per hour worked.

The failure of any Employer to pay the required amounts within thirty (30) days after the date due shall be a violation of the Employer's obligations hereunder. The Trustees may take whatever action they deem necessary, including legal action, to enforce delinquent payment. An Employer in default for thirty (30) days must pay all expenses of collection incurred by the Trustees, including attorney's fees, and expenses incurred examining wage and payroll books and records. Failure to make the payments when required shall be a

violation of this Agreement, as well as a violation of the collective bargaining agreement. The remedies for any such breach as provided herein are in addition to and not in lieu of any remedy contained in the collective bargaining agreement for breach of such agreement.

Furnishing of Records: In the event there is reasonable cause to believe any Employer is not paying the proper amount, the Trustees may require such Employer to furnish or make available for examination such wage or payroll books and records as are necessary to determine whether the amount is correct. The Trustees or their authorized representative may examine the said records. Demands for such records shall be made upon the Employer in writing and such demand shall specify the period of time during which the alleged discrepancy in payment occurred.

In lieu of submitting the foregoing records, an Employer may furnish the Trustees with a statement from a certified public accountant certifying the Employer's individual Employees covered by this Agreement by name, the number of hours worked by each Employee, the amount paid to the trust fund for each Employee and the amount required to be paid by the Employer, for the period of time specified in the Trustees' demand for records. Provided, this shall not limit the right of the trustees to make further examination of such wage and payroll books and records in the event the trustees deem such examination necessary after reviewing certified statements submitted on behalf of the Employer.

Addenda XIX and XX constitute one inseparable and indivisible collective bargaining agreement in this contract. The forced removal of either fund will result in the removal of the other fund.

ADDENDUM XX WORKING ASSESSMENT

It is hereby agreed that to implement a check-off of Union Local 219 working assessment, every Contractor employing sheet metal worker members, apprentices and helpers, shall deduct from said employee two and three-quarters percent (2.75%) of his/her gross wages and remit these funds to Sheet Metal Workers Local 219 as outlined in Addendum XII. At the option of Local 219, this deduction may be increased. Union Local 219 hereby agrees to hold harmless the signatory Contractors and Employers as a result of any claim that the deductions are inappropriately or illegally made. Authorization forms are to be supplied by Local 219 and a copy of the completed forms submitted to the SMACNA office.

ADDENDUM XXI LABOR MANAGEMENT COMMITTEE

SMACNA of Northern Illinois, Inc. and Sheet Metal Workers Local 219 agree to establish a labor-management committee which shall meet on a regular basis, but not less often than quarterly, to discuss industry issues of mutual concern. This Committee will strive to improve communications, understand and respond to industry direction and trends, conduct advertising and marketing on behalf of the industry, and resolve common issues collaboratively. Each Employer agrees to contribute the sum of (See Addendum I) per hour worked by covered Employees, over and above the total package, and each Employee agrees to contribute an equal sum of (See Addendum I) per hour worked, allocated from the total package, to fund this Committee.

ADDENDUM XXII BONDING

Each Employer employing Local 219 members shall furnish a surety bond according to the table below, to guarantee the payment of contributions to the funds as provided in Addenda XII through XXI. Bond amounts will be determined June 1 of each year, based on an average of the previous year's manpower. Bonds shall be submitted to Local 219 by July 1 of each year with a copy submitted to SMACNA at that time.

Number of Local 219 Employees	Surety Bond Amount
Up to 5	\$10,000
6-10	\$20,000
11-15	\$30,000
16-20	\$40,000
21-25	\$50,000
26-30	\$60,000
31-35	\$70,000
Each 5 employees thereafter	\$10,000

ADDENDUM XXIII EQUAL CONDITIONS TO ALL EMPLOYERS

If any more favorable conditions are granted by Local 219 to any other Employer in the jurisdictional area of this contract, all Employers will have the right to adopt the same as an amendment to this agreement effective at once.

ADDENDUM XXIV MOONLIGHTING

Moonlighting by Journeymen, Apprentices or Helpers shall be prohibited; they shall not be permitted to work at the trade outside their Employer's shop or jurisdiction under penalty of suspension or dismissal. The Employer shall provide the Union with any knowledge they might have to help enforce this addendum.

ADDENDUM XXV WORK STABILIZATION (Addendum to Article X Section 8)

At least ninety (90) days prior to the expiration date of the contract, the Federal Mediation and Conciliation Service shall be contacted and advised that SMACNA, Northern Illinois, Inc. and Local 219 of SMWIA are negotiating a new agreement.

Within fifteen (15) days prior to the expiration date of the contract, if no agreement has been reached the Federal Mediation and Conciliation Service may be called in to hear both parties and get a third party view.

Void Article X, Section 8 of the Standard Form of Union Agreement.

ADDENDUM XXVI UNION AS COLLECTIVE BARGAINING REPRESENTATIVE

Each Employer agrees and is satisfied that the Union is supported by the majority of the Employees of the Employer presently working under this agreement and the Union is recognized as sole and exclusive collective bargaining representative for the ~~sheet metal workers now or hereafter employed in the~~ bargaining unit with respect to wages, hours of work, or other terms and conditions of employment.

ADDENDUM XXVII IMPROPER WORKMANSHIP

Improper workmanship will not be tolerated; flagrant errors will be rectified. If the problem cannot be worked out between the Employee and the Employer, then it will be rectified between the Contractor and Local 219.

ADDENDUM XXVIII RESOLUTION 78

The Employer should contact Local 219 for implementation of Resolution 78 if any unusual condition(s) prevail.

To qualify for Resolution 78, an Employer must be employing the quota of apprentices/helpers for which he/she is eligible.

Resolution 78 shall be granted on a job-by-job basis and for use on commercial work only.

When Resolution 78 has been granted, SMACNA is to be notified. In addition, if needed, submission of time cards must be provided to Local 219 for a cross reference on the number of hours specified.

ADDENDUM XXIX EXCEPTION TO ARTICLE I TYPE OF WORK

It is agreed that downloading from an estimating machine to a CAM machine is not included in work covered under Article I of the Standard Form of Union Agreement.

ADDENDUM XXX JOINT SUBSTANCE ABUSE POLICY

Section 1. Policy Statement. The parties to this agreement recognize that abuse of alcohol and illegal drugs is a major national, state and local concern, that employers and employees have a legitimate interest in preventing substance abuse and its effects in the workplace, and that preventing substance abuse in the workplace will improve the safety, health, well-being and productivity of sheet metal workers at all levels of employment. To prevent substance abuse, individuals with substance abuse problems must be identified and encouraged to participate in proper treatment. This Policy is intended to prevent substance abuse and to encourage resolution of individuals' substance abuse problems.

Section 2. Prohibitions. Sheet metal workers subject to this agreement are prohibited from engaging in any of the following activities:

a. Using, possessing, manufacturing, distributing, dispensing, or selling prohibited substances on company premises or on a job site, or while on company business, or while in a company-supplied vehicle.

b. Storing any prohibited substance in a locker, desk, or other repository on company premises or a job site.

c. Being under the influence of any prohibited substance on company premises or a job site, or while on company business, or while in a company-supplied vehicle.

d. Failing to adhere to an approved alcohol or drug treatment or counseling program in which the employee is enrolled.

Section 3. Prohibited Substance. For the purpose of this Policy, "Prohibited Substance" shall be alcohol, illegal drugs, controlled substances, and prescription medications which are prescribed for a person other than the employee.

Section 4. Prescribed or Over-the-Counter Medication. A sheet metal worker using any prescription or over-the-counter medication which may affect the worker's safety, the safety of others, or impair the worker's ability to work must report such usage to the worker's supervisor.

Section 5. Substance Testing. The employer may require an employee or applicant to submit to a test for prohibited substances when the employer has a reasonable suspicion pursuant to Section 8 of a violation of Section 2, when the employer conducts pre-employment tests pursuant to Section 7 and when the employer conducts work opportunity mandated testing pursuant to Section 9.

Section 6. General Provisions. The employer shall provide a test which uses confidential, dignified and humane procedures and shall insure the integrity of any specimen. The employer, the individual tested and the Employee Assistance Program ("EAP") shall have access to test results.

Tests shall be conducted by qualified and accredited laboratories that comply with the Scientific and Technical Guidelines for Federal Drug Testing Programs and the Standards for Certification of Laboratories Engaged in Urine Drug Testing for Federal Agencies issued by the Alcohol, Drug Abuse and Mental Health Administration of the United States Department of Health and Human Services, or any other standard required by law. The tests shall maintain high quality control procedures and follow manufacturer's protocols. Initial positive tests shall be subject to a confirmation assay, such as a Gas Chromatography with Mass Spectrometry (GC/MS) or a completely equivalent test. The levels of detected substances for determining positive results shall be those established by the Alcohol, Drug Abuse and Mental Health

Administration of the United States Department of Health and Human Services, or any other standard established by law.

Section 7. Pre-Employment Screening. An employer may test new, prospective employees who are not currently members of the union for prohibited substances without cause. A positive test is just cause not to hire the applicant.

Section 8. Reasonable Suspicion. An employer may test a sheet metal worker when the employer has a reasonable suspicion that the sheet metal worker is violating Section 2. "Reasonable suspicion" is defined as those circumstances, based on objective evidence about the employee's conduct in the workplace, that would cause a reasonable person to believe that the employee's performance, perception or abilities are impaired because of prohibited substances. Examples of such evidence include, but are not limited to, the employee's difficulty in maintaining balance, slurred speech, erratic or atypical behavior, or other indications that the employee cannot perform the employee's position safely and efficiently. Reasonable suspicion also exists when an employee is involved in an on-the-job accident involving any lost time, personal injury or property damage.

Section 9. Work Opportunity Mandated Testing. In all situations in which an employer is required to agree to testing for prohibited substances to qualify as a bidder on the project, the employer may require testing for prohibited substances. Tests shall be performed according to the standards established in this Policy, unless the employer is required to use different standards to qualify as a bidder on the project in which case those required standards shall be used. The employer will not discriminate against an employee who refuses a job assignment to a project that has work opportunity mandated testing.

Section 10. Testing Requirement. An employee or applicant who refuses to submit to a test for prohibited substances when the employer has reasonable suspicion of a violation of Section 2, when the employer is conducting work opportunity mandated testing after the employee has been assigned to a project, or when the employer is conducting pre-employment tests of applicants who are not union members, is subject to discipline up to and including termination, and such termination shall be deemed to be for just cause. An employee who tests positive for prohibited substances is subject to discipline, up to and including termination, and such termination shall be deemed to be for just cause, except that on the first positive test, the employer shall allow the employee to participate in a drug treatment program acceptable to the employer. An employee who successfully completes the drug treatment

program will not lose his or her position because of the first positive test, but the employee must submit to unannounced testing for prohibited substances for a period of one (1) year from the completion of treatment program.

Section 11. Alcohol/Substance Abuse Recognized Treatable.

The employer and employee agree that they both prefer that any employee substance abuse problem be resolved by rehabilitation through referral to a locally operated industry Employee Assistance Program (EAP).

The employer will pay for any required testing for prohibited substances.

ADDENDUM XXXI SEAMLESS GUTTER ADDENDUM

Section 1. Commercial Work.

a. Wage Scale. Commercial work will be performed at 70% of Building Trades scale.

b. Training. There will be a two-year training period, with wage rates as follows:

First Year, First Half	30%
First Year, Second Half	40%
Second Year, First Half	50%
Second Year, Second Half	60%

c. Payment of Fringe Benefits. Employers will make monthly contributions on behalf of their Employees to Sheet Metal Workers' National Pension Fund, Local 219's Employee Benefit Fund, Local 219 Retirement Savings Fund (of not more than 25% of their wages), SMACNA Northern Illinois Industry Fund and Working Assessment, all in accordance with the terms of this working agreement.

Section 2. Residential Housing.

a. Wage Scales. Residential Housing wage scales will be as follows:

Lead Journeyman on the truck	60% of Residential Wage Rate
All other employees	50% of Residential Wage

b. Payment of Fringe Benefits. Employers will make monthly contributions on behalf of their Employees to Local 219's Employee Benefit Fund, Local 219 Retirement Savings Fund, SMACNA Northern Illinois Industry Fund and Working Assessment, all in accordance with the terms of this working agreement.

ADDENDUM XXXII VALIDITY OF CONTRACT AND ADDENDA


Section 1. Effective Dates (Amendment to Article XIV Section 1). This Agreement, Addenda I through XXXII and the Residential Addendum shall become effective on the 1st day of June, 2003 and remain in full force and effect until the 31st day of May, 2006 and shall continue in force from year to year thereafter unless written notice of reopening is given not less than one hundred fifty (150) days prior to the expiration date.

Section 2. Validity. This Agreement constitutes the complete agreement between the parties hereto, and this agreement supersedes and cancels all previous agreements and understanding between said parties. Employers subject to this Agreement shall not be required to sign any further agreement or understanding in order to perform work and conduct business within the counties stated in this Agreement.

Section 3. In the event of an inconsistency between addenda and the Standard Form of Union Agreement, the provision of the addenda shall govern subject to approval of the Sheet Metal International and/or Sheet Metal Air Conditioning National Contractors' Association.

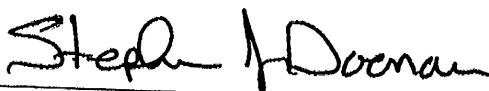
In witness thereof, the parties hereto affix their signatures and seal this 1st day of June, 2003

LOCAL UNION NO. 219 SHEET METAL WORKERS
INTERNATIONAL ASSOCIATION



Robert B. Glidden, Business Manager

SMACNA (SHEET METAL AND AIR CONDITIONING CONTRACTORS'
NATIONAL ASSOCIATION, INC.) OF NORTHERN ILLINOIS, INC.



Stephen J. Doonan, Chairman, Negotiating Committee

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A detailed black and white map of the Rockford, Illinois area. The map shows a network of major highways, including I-90 running horizontally across the top and I-55 running vertically on the right. Rockford is centrally located, with DeKalb to its north and Dixon to its east. The Rock River and Fox River are depicted flowing through the region. Numerous smaller cities and towns are labeled, such as Janesville, Watertown, and Appleton. The map also shows the locations of several universities, including Northern Illinois University and Rockford University. The map is oriented with North at the top, and a scale bar is provided in the bottom left corner.